

### *2010 Legislative Session*

In the context of a \$2.8 billion budget shortfall, the 2010 Legislature reduced funding to the State Work Study (SWS) program in 2010-2011 by more than 31 percent – or nearly \$7.5 million. As painful as this cut is to the program and its stakeholders, please note that the entire program was slated for suspension in earlier budget reduction proposals.

Despite avoiding this worst-case scenario, college SWS resources have been cut significantly and this may impact your ability to hire SWS students in 2010-2011, both in terms of the number of available students and the number of work hours reduced SWS awards may support.

The Legislature directed the Higher Education Coordinating Board (HECB) to offset these funding cuts in three primary ways, **all of which may affect you as a SWS employer:**

- 1) **Reducing non-resident student eligibility to the “maximum extent practicable.”** Colleges have an earnings cap for non-residents that ensures a minimum of 75% reductions in SWS service levels to non-residents. The limited flexibility remaining is intended to maintain existing employer-student relationships to the maximum degree possible. However, if you typically hire students from colleges with large non-resident populations, you may experience complications or fewer potential student hires as a result of these changes.
- 2) **Increasing employer match rates.** Increased SWS employer matching dollars provide additional financial assistance to needy students. The HECB recognizes the difficult situation many employers face due to current economic conditions, but is following Legislative direction and increasing rates as follows:
  - For-profit businesses will match at 50% (up from 35%)
  - Non-profit organizations will generally match at 30% (up from 20%)

Because the online renewal tool you have used in prior years cannot accommodate the job description match rate changes necessary this year, **SWS employers are required to submit new job descriptions for all 2010-2011 positions.** Employers should work directly with those colleges from which they plan to hire students to establish 2010-2011 job descriptions with appropriate match rates. SWS students **cannot** work after 6/30/10 until revised 2010-2011 job descriptions are approved at the new matching rate levels.

- 3) **Maintaining Average Student Earnings.** In order to serve the maximum number of resident students, colleges are being encouraged not to increase 2010-2011 award amounts for students. This could limit the amount of hours students can work.

### *Important Time Sheet Reimbursement Information*

With the end of the state fiscal year (6/30/10) fast approaching, it is critical to submit 2009-2010 (7/1/09 to 6/30/10) time sheets to the college you hired from by July 10, 2010. Time sheets should be turned in no later than 15 days after the end of the pay period. Time sheets that are turned in more than 15 days after the end of the pay period or July 10, 2010, for hours worked in June, could result in delay or denial of reimbursement.